

Bill Would Preserve Current Military Spending Levels

Washington, DC—U.S. Congressman Mike Pence issued the following statement in support of H.R. 5652, the Sequester Replacement Reconciliation Act of 2012, which would replace \$78 billion in spending cuts that would disproportionately and negatively impact our national defense. Pence's statement follows:

"Our nation is facing a fiscal crisis of unprecedented proportions," said Pence. "With a \$15 trillion national debt, it's time to change the way we spend the people's money and this bill is a good step toward doing just that."

"In addition, this bill also prevents the cuts to our nation's defense spending that are set to occur on January 2nd of next year. Indiana has a proud history of contributing to the defense of our nation, and this legislation will protect Hoosiers who wear the uniform and those who support our warfighters."

Background:

The Sequester Replacement Reconciliation Act of 2012 replaces automatic cuts to discretionary spending, primarily from defense accounts, under the Budget Control Act. The savings generated from these reforms to mandatory programs would first be used to offset the approximately \$78 billion cost of replacing the automatic across-the-board discretionary

spending cuts that are scheduled to occur on January 2, 2013, under what is known as sequestration. The amount of \$78 billion reflects the remainder of the FY 2013 discretionary sequester after accounting for lowering the FY 2013 discretionary cap from \$1.047 to \$1.028 as provided for in the House-approved Budget Resolution. The additional savings achieved through reconciliation beyond the \$78 billion (over \$180 billion in the next ten years) would further reduce the deficit.

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